

Appendix 3

Description of Exceptional Supplies

General Information

Most disposable medical supplies (DMS) and durable medical equipment (DME) are included in the daily rate for nursing homes and are not separately reimbursable. However, providers may receive reimbursement for certain DMS and DME provided to nursing home recipients whose medical conditions make them eligible for exceptional supplies. The exceptional supply procedure code allows Wisconsin Medicaid to separately reimburse certain supplies and equipment that are usually included in the nursing home daily rate. Recipients who have exceptional supply needs may either:

- Be ventilator dependent.
- Have a tracheostomy that requires extensive care at least twice in an eight-hour period of time.

Covered items are limited to those supplies and equipment necessary to treat the above conditions. Wisconsin Medicaid will not cover unnecessary, unreasonable, or inappropriate items as determined by Wisconsin Medicaid nurse consultants. Providers are required to document the need for exceptional supplies in the physician's orders, progress notes, and treatment sheets.

Prior Authorization

For Wisconsin Medicaid to consider reimbursement, providers are required to obtain prior authorization (PA) before dispensing exceptional supplies.

Submit requests for PA on the Prior Authorization Request Form (PA/RF) and the Prior Authorization Durable Medical Equipment Attachment (PA/DMEA). Providers are required to use the procedure code "W6890" on the PA/RF. Exceptional supplies for nursing home recipients cannot be reimbursed under other procedure codes. Providers should use the procedure code for both purchased and rented exceptional supplies. Therefore, group all needed supplies under the specified procedure code.

Use type of service (TOS) "P" for purchased items or "R" for rented items in Element 17 of the PA/RF.

Providers are also required to submit the following with the PA/RF:

- Documentation indicating that the recipient is ventilator dependent or has a tracheostomy that requires exceptional supplies.
- A physician's prescription detailing the equipment and/or quantity of needed supplies. Wisconsin Medicaid will not consider a PRN (from the Latin term *pro re nata*, meaning "as needed") prescription as a substitute for a physician prescription.
- Treatment sheets or a medical checklist documenting the actual use and frequency of use of the supplies and equipment.
- A record of the exact quantity of supplies used in the time period preceding the PA request.

Providers are required to include the "per unit" charge for each supply item, the frequency of use, and the estimated monthly quantity needed by the recipient. The total estimated monthly charge for all supplies must be indicated in Element 21 of the PA/RF.

If using attachments, please write the PA number on each page, in case they are separated from the PA/RF during processing.

Billing and Reimbursement

Providers should bill for prior authorized exceptional supplies on the CMS 1500 claim form.

If exceptional supplies are used on a daily basis, providers may bill using the beginning date of service (DOS) in the “From” column and the last DOS for each month in the “To” column in Element 24A. The quantity billed must equal the number of days within the range approved on the PA/RF. Use TOS “P” for purchased items and “R” for rented items in Element 24C.

Wisconsin Medicaid authorizes reimbursement for exceptional supplies at an average daily maximum dollar amount, based on the average daily use. The average daily maximum dollar amount is figured by multiplying the frequency of use per 30-day period by the reimbursement rate for each item, adding all of the sums, and dividing by 30. Wisconsin Medicaid will not reimburse for exceptional supplies at any rate higher than the average daily maximum dollar amount.

If a recipient’s need for exceptional supplies declines, resulting in the usage of fewer supplies, the average maximum amount charged to Wisconsin Medicaid should decrease accordingly.